

**MILWAUKIE CITY COUNCIL
WORK SESSION
APRIL 30, 2001**

The work session came to order at 5:30 p.m. in the City Hall Conference Room.

City Council present: Mayor Bernard and Councilors Lancaster, Marshall, and Newman.

Staff present: City Manager Pro Tem Swanson, Planning Director Rouyer, and Neighborhood Services Manager Gregory.

Information Sharing

1. The group agreed to set over the May 1, 2001, regular session consent agenda item regarding the Johnson Creek Boulevard Improvement agreements with Portland and Clackamas County.
2. **Councilor Marshall** made a motion to limit future Council meetings to 3 hours, and **Councilor Lancaster** seconded. Motion passed unanimously among the members present.
3. **Councilor Lancaster** volunteered to review the City's current insurance program including an objective evaluation of the broker selection. **Swanson** recommended regular contract reviews for this and other professional services.
4. **Mayor Bernard** noted the municipal court judge contract with Ron Gray will expire on June 30. The Council agreed to consider an extension.
5. The group discussed Assistant City Manager Martha Bennett's resignation.
6. **Swanson** said the joint work session with the Clackamas County Board of Commissioners on the South Corridor options will include a good cross section of Neighborhood District Association (NDA) chairs. The Clackamas Town Center Manager has written a letter supporting the busway option. **Mayor Bernard** commented Metro does not support further study of the busway option.
7. **Swanson** will provide a draft of the proposed 2001 - 2002 budget prior to the May 7 hearing. It is balanced and includes all fund transfers. The final version of the proposed budget will be available at the meeting.
8. **Councilor Newman** spoke highly of staff and volunteers participating in the April 21 Springwater Corridor Cleanup.

Urban Forestry Ad Hoc Committee Reconsideration

The group agreed to seek additional applications over a two-week period. **Councilor Marshall** did not believe re-interviews were necessary. The Council directed staff to put Committee meetings on hold and requested copies of the charge for review and discussion at its next work session.

Milwaukie Downtown Development Association (MDDA) Contract Annual Review

Dave Strauss, MDDA President, and Jack Elder, Director, provided the annual update.

The group discussed contract language and duration of the agreement. The City Attorney's opinion states the contract term is "until and through" fiscal year 2001 - 2002, or until June 2002.

Swanson discussed the 3 MDDA funding sources: general fund transfer, business license surcharge, and economic improvement district assessment. Due to staff changes, assessments and some payments were not done on time, but staff is now working to correct the situation.

Referring to report item 1, **Councilor Lancaster** asked how the Association encourages cooperation and enhanced leadership in the business community.

Strauss said each board member has an area of responsibility such as the new "adopt a block" program. Others are given specific assignments designed to increase participation.

Councilor Newman asked how the MDDA prepares to recruit certain businesses, such as a frame shop or retail bakery, identified as compatible with niche and other downtown activities.

Strauss replied one director is developing a website to advertise available spaces. He made personal contact with several frame shops about locating in Milwaukie with no results. Desirable businesses would have a connection with the arts and entertainment niche.

Elder contacted retail bakeries when the "Pickle Barrel" site became available, but they thought the rent was too high.

Councilor Marshall believed the discussion had another dimension beyond the MDDA's meeting the terms of its contract with the City. **Councilor Lancaster** agreed and noted needs have changed.

Strauss agreed but pointed out a larger-scale operation would need a bigger budget.

Councilor Lancaster referred to report point 2 and expressed concern the MDDA might be liable if it is advising new businesses on planning and building codes.

Elder does not interpret code. He directs people to the appropriate city departments and makes himself available to talk about the City and its activities.

The group discussed the role of the North Clackamas Chamber of Commerce. **Strauss** said the Chamber is reluctant to promote one area over another, so it acts primarily as an information exchange.

They discussed the sculpture program with Clackamas Community College and how to increase arts and craft involvement in Festival Daze. **Councilor Newman** expressed disappointment the MDDA is not more involved in the annual festival, and the group discussed the feasibility of businesses developing parallel activities.

Councilor Newman supports the Farmers Market which starts Sunday, May 20. He suggested looking at the City's role and developing a long range plan which might include either improving the amenities or moving the market to a different location.

Strauss asked how much has been spent on the downtown plan, and **Councilor Lancaster** believed about \$400,000 has been spent. **Strauss** opened his business in Milwaukie 33 years ago, but, with all the planning, nothing ever seems to get done.

Councilor Newman said there is a general downtown vision and code which will be implemented at the permit level.

Rouyer reviewed the evolution of the downtown plan including zoning and design standards to ensure high quality, compatible development. The group discussed the May 10 workshop intended to build on the adopted framework. They also weighed the pros and cons of developing a theme.

Swanson said there is one more year on the MDDA contract. The Council may wish to look at a citywide development approach in order to capture economic benefits.

Councilor Newman found it difficult to justify the transfer of general fund money to support the general operation of a booster organization. He noted language in the contract referring to future Association self-sufficiency. He wants to broaden

the discussion to include business development for the entire City and who would have the leadership role.

Strauss felt zoning has diluted the downtown, and, until recently, vacancy rates have been quite low. The primary function is to recruit more businesses of a downtown nature, but, he noted, there are funding and personnel constraints.

Councilor Marshall said the downtown plan addresses previous zoning constraints. Milwaukie needs to increase its tax base, and new construction is key to making changes.

Councilor Lancaster agreed. Entire blocks need to be redeveloped in order to overcome historical handicaps.

Councilor Newman suggested a public/private authority to carry out this type of citywide concept, not a booster organization.

Councilor Marshall thought the MDDA might continue its current role while the City creates a separate entity to address the broader issues.

Councilor Lancaster discussed partnering with business entities to promote other investment in Milwaukie. The City is making a huge investment to encourage development, and it is time for businesses to step forward.

Councilor Marshall suggested taking the concept of expanded participation to the MDDA board for comments and suggestions.

Councilor Newman recommended the discussion take place with the new city manager. He urged looking at the basic relationship between the City and MDDA and the feasibility of the Association's becoming self-sufficient. The City may wish to sponsor specific projects rather than providing operational funding.

Swanson felt it was appropriate for the MDDA board to discuss long range plans and provide Council with a written report in one month.

Councilor Lancaster suggested looking at the structure of other regional organizations.

Councilor Newman thought there could be 2 organizations: a public development group and a promotion group. The City needs to take the lead in developing the downtown plan with participation by MDDA.

Councilor Marshall felt the City would benefit by developing some kind of theme. Until there is a clear message about what is happening downtown, the investment community will be skeptical of investing millions of dollars. This must

be a community message that ensures Milwaukie will not change its mind next year. He still likes the vision of a 21st century small town.

Councilor Lancaster recommended studying what has been successful in other area such as the Pearl District. Determine what would make people want to be in Milwaukie instead of somewhere else.

After adjournment, the Council will meet in executive session pursuant to ORS 192.660 to discuss real property.

It was moved by Councilor Newman seconded by Councilor Marshall to adjourn the work session. Motion passed unanimously among the members present.

Mayor Bernard adjourned the meeting at 7:15 p.m.

Pat DuVal, Recorder